

# EXHIBIT B

1 A Yes.

2 Q Okay. Who's the managing member for Eagle?

3 A My wife, Monika Jain.

4 Q Okay. What is your role in Eagle?

5 A I manage this business.

6 Q Okay. So what is your authority to act on  
7 behalf of Eagle, meaning is it understanding in the  
8 company that you can make all the decisions for the  
9 company?

10 A Yes, sir.

11 Q All right. I've seen you sign your email  
12 block, and I think it says the decision maker or  
13 something like that.

14 Is that accurate?

15 A Yes, it is accurate.

16 Q Okay. Are you the sole person that makes  
17 the decisions for Eagle Properties and Investments?

18 A Yes, sir.

19 Q Okay. Monika Jain is the managing member.  
20 What's her role in the company? What does  
21 she do?

22 A Most of the time she just sign it. I

1 discuss with her like this deal is this, but she  
2 obviously -- if you feel it's okay, I will sign it.

3 Q Okay.

4 A So she sign the documents, and I make  
5 decisions.

6 Q Okay. Do you negotiate contracts on behalf  
7 of Eagle Properties and Investments?

8 A Yes, sir.

9 Q Okay. What's the specific title that you  
10 hold?

11 A I don't hold any title, but I call myself as  
12 a manager.

13 Q Okay. Is it fair, then, to say that you  
14 make all the decisions for the company?

15 A Yes, sir.

16 Q All right. Same question. I asked it  
17 differently earlier because I was talking about  
18 transferring funds.

19 Do you pay yourself a salary from Eagle?

20 A No, sir.

21 Q Okay, but you do draw money from Eagle's  
22 bank account to pay for expenses?

1           A     I found her phone number from one of my  
2     friends and said, hey, call Ms. Shail Butani, she do  
3     hard money loans, she can do your bills.

4           Q     Okay.

5           A     So I called her or I text her.

6           Q     Okay.

7           A     Then we met.

8           Q     Why were you looking for Shail Butani for  
9     hard money loans? What were you looking to do?

10          A     I need a hard money -- I need a hard money  
11     loan.

12          Q     Okay. What were you going to do with the  
13     hard money loan?

14          A     We bought the property.

15          Q     Okay. Then what?

16          A     We fixed it. We sold it.

17          Q     Okay.

18          A     She got her money back. We got our profit  
19     back.

20          Q     Okay. Do you recall what the terms of the  
21     hard money loan was?

22          A     It was 12 percent and 2 points.

1 Q 12 percent and 2 points.

2 That 12 percent and 2 points, 12 percent,  
3 that's the interest that you owed on the loan?

4 A Yes.

5 Q Okay. Was that annual?

6 A Yes.

7 Q Okay. And the 2 points, what was that?

8 A So when she lend us our money, she charged 2  
9 point to make this loan happen.

10 Q Okay.

11 A Like fees.

12 Q Okay. Was there an agreement to provide a  
13 deed of trust to Bala Jain as part of that loan?

14 A For that part of that loan she asked for,  
15 yes.

16 Q Okay. Did you provide a deed of trust?

17 A Yes.

18 Q Was that first or second deed of trust?

19 A I don't remember. I think it was a first  
20 deed of trust we bought the property.

21 Q Okay.

22 A Maybe second.

1 Q Okay. Were those the general terms that you  
2 use with all the loans that you enter into with Bala  
3 Jain?

4 A Yes.

5 Q Meaning Eagle entered into with Bala Jain?

6 A Yes, sir.

7 Q Okay. That would be even the ones that are  
8 the subject of this lawsuit?

9 A Yes, sir.

10 Q Okay. You identified that Eagle has  
11 borrowed money from several banks.

12 Other than Bala Jain, has Eagle borrowed  
13 money from anyone else besides Bala Jain and the banks  
14 that we listed?

15 A Yes.

16 Q Who?

17 A These are other hard money investors, like  
18 Bala Jain.

19 Q Yeah. Who?

20 A This company called Assets Based Lending.

21 Q Spell that.

22 A Assets. A-B-L.

1           A     Can be any. It's like hundreds of thousands  
2 of title companies.

3           Q     Okay. But for those, I want you to focus on  
4 your relationship with First Class Title and Dan Kotz.

5           A     Sure.

6           Q     Who prepared the loan documents for the 61  
7 transactions identified in paragraph 36?

8           A     Most of the documents prepared by Dan Kotz.

9           Q     Okay. Would it be fair to say that if it  
10 was a loan that Mr. Kotz was involved in, that he or  
11 his company, First Class Title, would have prepared  
12 the loan documents?

13          A     Prepared the loan documents, yes, sir.

14          Q     Okay. Would that typically involve the  
15 preparation of some form of loan or note to  
16 memorialize the terms of the loan?

17          A     Yes, sir.

18          Q     Okay. Then if there was a deed of trust  
19 that was granted to Bala Jain, would Mr. Kotz or his  
20 company, First Class Title, prepare that deed of  
21 trust?

22          A     Yes, sir.

1 Q Okay. Who was responsible for recording the  
2 deed of trust?

3 A So I tell Dan, record the deed of trust or  
4 don't record the deed of trust after talk with Ms.  
5 Shail Butani. So she say, yeah, record this, or don't  
6 record this.

7 Q Okay.

8 A I have a few different examples, also. I  
9 can go in detail if you want me to.

10 Q No, that's fine. We'll get to those.

11 A Okay.

12 Q So --

13 A So I follow her instructions, record or  
14 don't record.

15 Q Okay.

16 A And send instructions to Dan.

17 Q Okay.

18 A Record those deed of trust or don't record  
19 those deed of trust.

20 Q Okay.

21 A I relay that information to Dan, Dan record  
22 those deed of trust, and Dan send copy to Bala Jain



1 home address office.

2 Q Okay. In cases where you had a  
3 conversation, I think you said with Shail; is that  
4 Shail Butani --

5 A Yes.

6 Q -- and you discussed with her about  
7 recording the deed of trust, did she give an  
8 explanation in cases where she said don't record a  
9 deed of trust, why she wouldn't want to record it?

10 A I don't ask her too much detail because this  
11 is her money, her decision.

12 Q Okay.

13 A But she told me sometimes, she don't told me  
14 sometimes.

15 Q All right. When you say, tell me sometimes,  
16 did she tell you -- I want to make sure I understand.

17 A Sure.

18 Q And don't answer yet because I'm going to  
19 try to lay the foundation. So I want to make sure I  
20 understand.

21 Are you saying that, in cases where she  
22 directly told you to record it, you would have

1 answered.

2 MR. SHAFFER: It hasn't been.

3 BY MR. SHAFFER:

4 Q Do you recall seeing a text message, reading  
5 a text message or email, where Ms. Butani said to you,  
6 I don't want a deed of trust, or don't record a deed  
7 of trust?

8 A Again, I cannot think like about eight years  
9 ago.

10 Q Sure.

11 A I go through all my text message or not, so  
12 answer is, she might, she might not. So I don't know  
13 the answer.

14 Q Okay. If Ms. Butani told you not to record  
15 a deed of trust, all right, did you communicate that  
16 to Dan Kotz in any way?

17 A Yeah. I say, just make a note in deed of  
18 trust, do not record because I have instruction do not  
19 record.

20 Q Okay. How would you do that? Would you do  
21 that in an email or by telephone?

22 A Most of the time it's telephone because this

1 is -- as soon as she told me for IRS tax purposes, I  
2 don't want to go into too much email or recalling all  
3 of the thing. I want to keep it secret. And she  
4 advised me, just keep it between me and you. So I try  
5 to keep it between me and her.

6 Q Okay. For the loans on paragraph 36, the  
7 loans when there was a deed of trust, what was the  
8 process you followed to get Bala Jain to release the  
9 deed of trust?

10 A So when payoff coming up -- payoff means  
11 when someone say, hey, I'm selling this property, or  
12 I'm saying I'm selling this property. So before we  
13 sell the property, we need a release from Bala Jain,  
14 like she got paid.

15 Q Okay.

16 A So I call her, text her, or email her, one  
17 or the other. Most of the time, call her, and say,  
18 this payoff is coming, do you want to invest this  
19 money, or you want to draw this money? So most of the  
20 time she say, let's reinvest this money, and she don't  
21 want to have payoff coming back in her account.

22 Q Okay.

1 let me know and we'll talk about it.

2 MR. KHAN: Objection, compound.

3 BY MR. SHAFFER:

4 Q Do you understand my question, sir?

5 A Yes, sir.

6 Q Okay.

7 A Yes, sir.

8 Q Okay. Having looked at paragraph 44,  
9 subparagraphs A through -- I believe it ends at HH at  
10 the top of 33 -- did you see any loans that Bala Jain  
11 did not make to Eagle?

12 A No, sir.

13 Q All right. So all the loans identified  
14 under paragraph 44, Bala Jain loaned that amount to  
15 Eagle; is that accurate? That's what I want to know.

16 A Yeah, this is accurate.

17 Q Okay. What about the interest rate; was the  
18 interest rate on each of those loans 12 percent?

19 A Yes, sir.

20 Q All right. And they identify dates for each  
21 of the loans to be repaid; right? It says the  
22 principal balance -- the loan was required to be

1 Harrisburg, PA.

2 How much of that money went into the  
3 property?

4 A About 350,000, and at least about \$40,000 in  
5 interest, paid to Bala Jain.

6 This property also can be refinanced.

7 Q Okay. Paragraph S; Eagle borrowed 340,000  
8 for the purchase and development of real property  
9 located at 449 Lawyers Road, Vienna, Virginia.

10 You see that?

11 A Yeah, I see that.

12 Q How much of that money went into the  
13 property?

14 A All of them, even more; about 500,000.

15 Q Where did the additional 160,000 come from?

16 A Come either from my money or leftover money  
17 from other properties.

18 Q Okay. Who lives at this property?

19 A This property is rented.

20 Q Who is it rented to?

21 A Rented to one of my contractors.

22 Q Who?

1 A His name is Charles.

2 Q Charles what?

3 A Snow.

4 Q Charles Snow?

5 A Uh-huh.

6 Q How much is he paying you?

7 A He's paying me \$3,000 a month.

8 Q \$3,000 a month?

9 A Uh-huh.

10 Q What are you doing with that \$3,000?

11 A I paid interest all the way until last year,  
12 and I'm now keeping that money.

13 Q So now you're keeping it?

14 A Yes. Using it.

15 Q Are you spending it? What are you spending  
16 it on?

17 A Same, for pay lot of visits to my attorney,  
18 to my expenses, to all those expenses I have.

19 Q Okay. Food, shopping --

20 A Yes, sir.

21 Q -- car payments?

22 A You name it.

1 Q Mortgage payments?

2 A You name it.

3 Q Okay. But you're not paying it to Bala  
4 Jain?

5 A Since 2022, no. Until then, yes.

6 Q Okay. Paragraph 44T; Eagle borrowed 300,000  
7 for the purchase and development of real property  
8 located at 1010 Lynn Street in Vienna, Virginia.

9 You see that?

10 A Yes.

11 Q How much of that 300,000 went into that  
12 property?

13 A I think about 400, 450,000.

14 Q All right. Where did the additional 150k  
15 come from?

16 A Same place; from either my money or from  
17 leftover money from other properties.

18 Q Who lives there now?

19 A No one.

20 Q Okay. Are you collecting rent?

21 A No.

22 Q So what's going on with the property?

1 A Uh-huh.

2 Q For how long?

3 A For a week.

4 Q All right. How much did that trip cost?

5 A I think about 5,000.

6 Q Okay. What about your California vacation,  
7 how much was that?

8 A That was happened, I believe, in 2020 or  
9 2021.

10 Q How much?

11 A 10, 15,000.

12 Q What about when you took the family to North  
13 Carolina, how much was that?

14 A About 5, 6,000.

15 Q Okay. Looking at paragraph 44V, Eagle  
16 borrowed 400,000 for the purchase and development of  
17 real property at 445 Windover Avenue in Vienna,  
18 Virginia.

19 Do you see that?

20 A Yes, I see that.

21 Q How much of that 400,000 went into Windover?

22 A More than 400.



1 record. This is the end of Media Unit Number 3. The  
2 time is 1:41 p.m.

3 (Off the record.)

4 THE VIDEOGRAPHER: We're back on the  
5 record. This is the beginning of Media Unit Number 3  
6 [sic]. The time is 2:38 p.m.

7 BY MR. SHAFFER:

8 Q Sir, keep Exhibit 1 in front of you.

9 MR. SHAFFER: I am going to introduce  
10 Exhibit 2, Madam Court Reporter.

11 (Exhibit 2 was marked for  
12 identification.)

13 BY MR. SHAFFER:

14 Q Exhibit 2, it's Bates labeled, sir.

15 If you look at the bottom right-hand corner,  
16 you'll see Eagle001. That's a Bates label. So  
17 sometimes I may refer you to a specific number --

18 A Okay.

19 Q -- for page number, but it's Bates Number  
20 Eagle001 through Eagle 026.

21 Do you have that in front of you?

22 A Yes, sir.

1 Q Okay. Do you recognize this document?

2 A 2006; right?

3 Q I'm sorry?

4 A 2006; right?

5 Q 2 -- 26.

6 A 26.

7 Yes, I have the document.

8 Q What is it?

9 A This is the properties' monthly interest.

10 Q Okay. Did you create this document?

11 A Yes.

12 Q Okay. Did anyone help you in creating this  
13 document?

14 A Yes.

15 Q Who helped you?

16 A My IT guy.

17 Q Your IT guy?

18 A Yeah.

19 Q Who's that?

20 A His name is Alan.

21 Q What's his full name? Sorry.

22 A Alan Jacobson.

1 Q Alan Jacobson?

2 A Uh-huh.

3 Q Does he work for Eagle?

4 A No.

5 Q Who does he work for?

6 A He work on contractor basis only for me.

7 Q Okay. Did you pay him for his work?

8 A But this document is created by me.

9 Q I'm sorry?

10 A This document is mostly created by me, the  
11 spreadsheets.

12 Q Okay. What did Alan Jacobson do?

13 A He do my IT thing.

14 Q Your what?

15 A My IT stuff.

16 Q Your IT stuff.

17 So I'm just trying to understand.

18 Did he just create the spreadsheet for you?

19 Is that what he did? In other words, like you filled  
20 in the information, but he created the template? I'm  
21 trying to figure out what Mr. Jacobson did.

22 A He made a template, and I fill it up.

1 Q Okay. So he would have given you the  
2 template, and then you would have put the information  
3 in here?

4 A Right.

5 Q Okay. What did you look at to -- what  
6 documents did you review in preparing this? In other  
7 words, you had to get the source of information, so  
8 how did you --

9 A Yeah, same thing. We pay Bala Jain interest  
10 every month --

11 Q Okay.

12 A -- so it's very easy to figure out, from  
13 that monthly payment on each property, to put it in  
14 there.

15 Q So let's start at Eagle001.

16 A Okay.

17 Q Is yours in color?

18 A Yes.

19 Q So you've got writing in red and then in  
20 black?

21 A Right.

22 Q Okay. I'm looking at the far-left column.

1                   It says properties, and it identifies a  
2                   bunch of properties in red.

3                   A       Right.

4                   Q       Are these the properties that were  
5                   identified in the loan documents between you and Bala  
6                   Jain that we discussed as part of paragraph 44, the  
7                   amended complaint, which is Exhibit 1?

8                   A       Yes, sir.

9                   Q       Okay. If you look in the bottom, sir, you  
10                  weren't sure about the 205 West Cherry Street,  
11                  Palmyra -- am I saying that right -- PA.

12                  Do you see that listed on there?

13                  A       Yes, sir. I see that.

14                  Q       So that is a property that Bala Jain loaned  
15                  you money for?

16                  A       Yes, sir.

17                  Q       Okay.

18                  A       I can see that.

19                  Q       Another one that you had a question about  
20                  was 3000 [sic] 3rd Avenue, Richmond, Virginia.

21                  Do you see that one?

22                  A       Yes, I see that one.

1 A Into my Capital One Eagle bank account.

2 Q Okay. So this would be for Eagle Properties  
3 and Investments' Capital One bank account --

4 A Right.

5 Q -- is where Bala Jain would transfer funds.  
6 Was that done by wire transfer?

7 A She'd do sometime wire, sometime ACH.

8 Q Okay.

9 A Sometime check deposit.

10 Q Okay. Where is your Capital One bank  
11 account physically, do you know? What's your office  
12 you go to?

13 A Most of the time I go to either Vienna or  
14 Oakton. Vienna or Oakton.

15 Q Oakton. Okay. Got it.

16 I am going to hand you a pen, sir, and ask  
17 you to mark on Exhibit 2, for any properties that you  
18 own, all right, for any properties that you own, can  
19 you just put a number 1 against? So in the left  
20 margin, just put number 1 against any properties that  
21 you own.

22 A Okay.

1 MR. MUSGRAVE: Just for the record, I'm  
2 assuming that you're going to make that marked-up  
3 version --

4 MR. SHAFFER: An exhibit, and the court  
5 reporter will have it, and we'll get everyone copies.  
6 Correct.

7 MR. MUSGRAVE: All right.

8 MR. SHAFFER: Yeah. For those of you  
9 not joining us, whatever he's marking up will be the  
10 official exhibit for the court reporter, and she will  
11 circulate copies to everyone.

12 THE WITNESS: Here you go, sir.

13 BY MR. SHAFFER:

14 Q Okay. Do you mind if I look at it with you?

15 A Uh-huh.

16 Q So if I'm reading it correctly, the 887 West  
17 Lombard Street, that's a property you own?

18 A Correct.

19 Q Then the next one is 71 Lucy Avenue in  
20 Hummelstown, PA?

21 A Yes.

22 Q Okay. Then a next property you own -- when

1 I say you, that's Eagle Properties and Investments?

2 A Yes.

3 Q Okay. The next property is 1203 Cottage  
4 Street?

5 A Yes.

6 Q The next property is 202 North Port Street,  
7 Baltimore?

8 A Yes.

9 Q The next property you have marked is 3110 P  
10 Street, Richmond?

11 A Right. Yes.

12 Q Then you own 1001 Manning Drive?

13 A Yes.

14 Q Okay. I want to make sure I got this right.  
15 Is that going to this property?

16 A Yes

17 Q All right. So the next property is 3012  
18 Dupont Avenue?

19 A Yes.

20 Q Then the next property is 15474 Roxbury  
21 Road?

22 A Yes, sir.



1 Q Okay. The next property is 2565 Chain  
2 Bridge Road?

3 A Yes, sir.

4 Q Okay. Then the next property is 445  
5 Windover Avenue?

6 A Yes, sir.

7 Q The next property you listed as owning is  
8 110 Lynn Street?

9 A Yes, sir.

10 Q Then the next property you've identified as  
11 owning is 449 Lawyers Road?

12 A Yes, sir.

13 Q Then the next property you've identified is  
14 204 South Fairville Avenue, Harrisburg, PA?

15 A Yes, sir.

16 Q The next property, 7616 Grove Avenue,  
17 Harrisburg, PA?

18 A Yes, sir.

19 Q Do you own that one?

20 A Yes.

21 Q All right. The next property you identified  
22 is 1635 Church Road, Hershey, PA?

1 A Yes, sir.

2 Q The last property you've identified is 1343  
3 Church Road, Hershey, PA?

4 A Yes, sir.

5 Q All right. For any of the properties that  
6 you identified as owning, is there anything preventing  
7 you from selling those properties and repaying the  
8 loans that are owed to Bala Jain?

9 A This lawsuit.

10 Q This lawsuit.

11 A I'd like to refinance those properties. I  
12 don't want to sell it, but I can refinance it, and  
13 Bala Jain can get their money back.

14 Q Could you sell it?

15 A I don't want to sell it.

16 Q But could you? I'm not asking if you want  
17 to. I'm asking, is there anything stopping you from  
18 selling it?

19 A No, except this lawsuit.

20 MR. KHAN: Objection, calls for  
21 speculation.

22 //

1 BY MR. SHAFFER:

2 Q Why don't you want to sell it?

3 A Those properties are good property in the  
4 future. I owe Bala Jain money, and I'm happy to pay  
5 her back.

6 Q Okay.

7 A So on this point, it's not even a matter if  
8 I want to sell it or I want to refinance it.

9 Q Okay. For the properties that you've  
10 identified as owning, read off to me which one of  
11 those properties that you -- it's my understanding  
12 that some of the properties you have a deed of trust,  
13 they're secured with a deed of trust for Bala Jain.  
14 Other properties you just used Bala Jain's money to  
15 improve or purchase.

16 So I guess my question is, for any of the  
17 properties that you've identified, which of those were  
18 purchased, not a deed of trust? Which of those did  
19 you use Bala Jain's money to purchase, any of them?

20 A To purchase the property?

21 Q Yes.

22 Just read off which ones you've purchased

1 with Bala Jain's funds.

2 A There's a difference between purchase and  
3 refinance, or purchase or --

4 Q There is. So I'll give you an example of  
5 what I mean by purchase so we're talking about the  
6 same thing.

7 So there's a property sitting out there.  
8 It's owned by a third party. You then take Bala  
9 Jain's money and you buy from that third party.

10 Does that make sense?

11 A That makes sense.

12 Q Did you do that for any of those properties?

13 A Number one, 897 West Lombard.

14 Q Uh-huh.

15 A 71 Lucy Avenue.

16 1203 Cottage.

17 202 North Port.

18 3110 P Street.

19 3012 Dupont.

20 1547 Roxbury.

21 2567 Chain Bridge.

22 Can I go to second line?

1 Q Sure.

2 A 449 Lawyers Road.

3 204 South Fairville.

4 Q Say that last one.

5 A 204 South Fairville Avenue.

6 Q Thank you.

7 A You're welcome.

8 7616 Grove.

9 1635 Church Road.

10 1343 Church Road.

11 Q I believe that's 13 properties that you just  
12 read off.

13 For those 13 properties, how much of the  
14 property's purchase price was paid for with Bala  
15 Jain's money?

16 A I could say most of the purchase price paid  
17 by Bala Jain money.

18 Q Okay. Where would you have gotten the rest  
19 of the money if there was some left over?

20 I'm just making up one of the properties.  
21 Let's just say you were \$30,000 shy. Where would that  
22 money come from?

1 Port Street, any other properties does Bala Jain have  
2 a deed of trust?

3 A No.

4 Q Okay. Get you to turn back, sir, to Page  
5 38. I'm looking at paragraph 55, starting with the  
6 second sentence that says, for example.

7 Do you see that?

8 A Paragraph 55?

- saved

9 Q Yes, sir.

10 A Yes, sir, I see that.

11 Q So paragraph 55 in Exhibit 1, it says, "For  
12 example, on January 17, 2019, defendant Dan Kotz,  
13 First Class Title, issued an attorney opinion letter  
14 entitled Certificate of Title. Identified various  
15 deeds of trust that needed to be satisfied in order to  
16 obtain clear title to the property identified as 449  
17 Lawyers Road Northwest, Vienna, Virginia."

18 Do you see that?

19 A I see that.

20 Q As of January 17, 2019, you had borrowed  
21 money from Bala Jain for the 449 Lawyers Road property  
22 in Vienna; correct?

1 A Correct.

2 Q Okay. Do you know why that information was  
3 not contained in Mr. Kotz's or First Class Title's  
4 attorney opinion letter?

5 A I have no idea.

6 Q Did you share with Mr. Kotz, at the time  
7 that he was preparing this or before, that you had a  
8 loan with Bala Jain for property on 449 Lawyers Road?

9 A I don't think so I shared with Dan.

10 Q All right. When Mr. Kotz was preparing  
11 that, did he ask you to confirm there was no other  
12 loans on the 449 Lawyers Road property?

13 A I don't remember.

14 Q Okay. Looking at Page 39. This is  
15 paragraph 56A.

16 A I'm sorry, sir. Can you --

17 Q Sure. Page 39.

18 A Yes, sir.

19 Q So it reads that First Class Title, Dan  
20 Kotz, drafted a deed of trust for the \$340,000 loan,  
21 to Bala Jain entered into with Eagle for the property  
22 located at 449 Lawyers Road, Vienna, Virginia.

1 Do you see that?

2 A I see that.

3 Q All right. Do you know why that deed of  
4 trust was not recorded on your property?

5 A Because she asked for.

6 Q She said not to record it?

7 A Right.

8 Q Why did she say that?

9 A Because of tax purposes.

10 Q When did she say that to you?

11 A Of course before this thing happened. Maybe  
12 in 2017, '18. I don't know when she made this loan.

13 I believe she made this loan -- when Bala  
14 Jain made the loan, in 2017 she made the loan; right?

15 Q Right.

16 A Yes. I'm sure we have a conversation  
17 before -- like few days or few weeks before she made  
18 this loan.

19 Q Okay. Did you ever share the deed of trust  
20 with her -- well, let me strike that.

21 Do you know when the deed of trust was first  
22 drafted?



1           A     I think deed of trust drafted right around  
2     this time.

3           Q     When you say "this time," the time of the  
4     loan?

5           A     No. For this one, deed of trust, I think  
6     did after a year or two. I'm not sure what time frame  
7     it was.

8           Q     Okay. Do you recall Bala Jain, this past  
9     summer or in the spring of 2022, asking about the  
10    status of the deed of trust for this property, for the  
11    449 Lawyers Road, asking why it wasn't recorded?

12          A     Yeah. I'm sure she asked for it.

13          Q     Okay. Did you ever respond to her in  
14    writing and say, it wasn't recorded because you told  
15    me not to record it?

16          A     I don't think we do anything in writing,  
17    this kind of conversation.

18          Q     Okay. Why didn't you do it in writing?

19                   MR. KHAN: Objection, asked and  
20    answered.

21          A     Because this is something not right thing to  
22    do. This is something not right thing to do. She

1 say, I'm saving money in taxes, I don't want to put  
2 anything in writing.

3 Q Then why didn't you -- when she came back  
4 and said, where's my deed of trust for 449 Lawyers  
5 Road and why isn't it recorded, in the many text  
6 messages you had with her, why didn't you say, Shail,  
7 you told me not to record it, you know that, that's  
8 why I didn't record it? Why didn't you put that in an  
9 email to her?

10 MR. KHAN: Objection, asked and  
11 answered.

12 A I'm sorry.

13 Q That's not asked -- go ahead. He just  
14 objected. You can answer.

15 A So same thing. I don't want to put  
16 something in writing. She knows about all this stuff  
17 way better than me. Her husband work for IRS for like  
18 20 year, 40 year, from there. So I don't want to put  
19 anything there to make her look bad. So I don't put  
20 anything -- this kind of stuff in writing.

21 As example, when we go back how much money I  
22 paid every year, it was \$2 million. I can prove it,

1 because I put all money in her account. She sent me  
2 the numbers every year, issue me 1099 only for certain  
3 amount. So if I share that 1099 with you, if you pay  
4 her 800,000, 1099 issued only for  
5 300-some-odd-thousand.

6 Q Who prepared the 1099?

7 A I prepared the 1099.

8 Q So your testimony is, you prepared a 1099  
9 that didn't reflect the actual amount of payments that  
10 you made to Bala Jain?

11 A She sent me the text messages with the  
12 numbers. I have it. Hey, issue me 1099 for this  
13 amount.

14 Q Okay.

15 A And I did that.

16 Q At the time you did it, did you check your  
17 records and did you realize that those amounts were  
18 inaccurate?

19 A Yeah, I know that. She knows that. But I'm  
20 giving her a favor.

21 Q You're doing her a favor by preparing a  
22 fraudulent 1099 form?

1           A     She asked for report less so she can have a  
2     tax benefit. I said, okay, that's fine, whatever you  
3     want. She's giving me money, so why not?

4           Q     Okay. Let's look at paragraph 56B on Page  
5     40. Page 40, sir. Paragraph 56B on Page 40.

6           A     I'm sorry.

7           Q     That's okay. Right there.

8           A     Yes, sir.

9           Q     Okay. So I'm reading it now.

10                "First Class Title and Dan Kotz drafted a  
11     deed of trust for the \$400,000 loan Bala Jain entered  
12     into with Eagle for the property located at 445  
13     Windover Avenue, Vienna, Virginia."

14                Do you see that?

15           A     Yes.

16           Q     All right. Who lives at 445 Windover  
17     Avenue?

18           A     I live with my family at 445 Windover.

19           Q     Okay. Do you know why that deed of trust  
20     was not recorded?

21           A     Same answer with 449. I can go in detail if  
22     you like, but exact same answer.

1 Q Okay. Is that because it's your testimony  
2 that Shail told you not to record it because she  
3 wanted to try to get some sort of tax benefit?

4 A I think so, yes. I'm not sure what she  
5 wanted to do, but she told us, we follow her.

6 And same thing with tax record, because if I  
7 don't provide her exact 1099, hers also to report  
8 right number she collects. So we --

9 Q So let me ask you this. Going back to the  
10 \$340,000 for 449 Lawyers Road, okay, that wasn't  
11 recorded until last spring, in 2022.

12 Did you ever tell Bala Jain -- I'm sorry,  
13 strike that.

14 At the time she gave you the loan in 2017,  
15 would that have given her a first deed of trust on  
16 that property?

17 A No, sir.

18 Q It would not.

19 What number would she have been in line?

20 A I think she would have been in line second  
21 or third.

22 Q Second. Okay.

1 Did you ever tell Shail, while you were  
2 sitting on that deed of trust, that in April of 2020,  
3 that you were going to be taking out an additional  
4 deed of trust for \$576,000 in favor of Fulton Bank?

5 A I think whatever you're saying is not right.

6 Q Okay. Well, turn back the page. Bottom of  
7 39, right, it says, Eagle entered into a deed of trust  
8 for 576,000, and assignment of rents with Fulton Bank  
9 for this property, dated April 17, 2020.

10 Do you see that?

11 A Yeah, I see that.

12 Q All right. So is that a true statement?  
13 Did you take out a loan and enter into a deed of trust  
14 with Fulton Bank for 576,000?

15 A It was not take out a loan. It was a  
16 refinance from one bank to another bank.

17 Q Okay, but you gave a deed of trust and  
18 assignment of rents to Fulton Bank in the amount of  
19 576,000?

20 A Yes, because they are refinancing it.

21 Q Okay. When they refinanced that, and Ms.  
22 Butani's deed was not recorded --

1 A Right.

2 Q -- her deed became subordinate to that deed  
3 of trust now held by Fulton Bank; right?

4 A Her deed was like this from day one, since  
5 2007. She's getting 12 percent interest. That's all  
6 is a matter for her. And I was paying her 12 percent  
7 interest all the way until 2022, and that's all was  
8 the commitment.

9 Q And you were paying her 12 percent interest  
10 by using the loan she was giving you; right?

11 A Yes, by using this money and other money and  
12 all of the money.

13 Q Okay. My question is, did you tell Shail  
14 Butani -- after she gave you the \$340,000 loan that  
15 was supposed to be secured against 449 Lawyers Road,  
16 did you tell her that you were seeking out a refinance  
17 or you were going to be giving a new deed of trust and  
18 assignment of rents to Fulton Bank in April of 2020?

19 A She never asked. I never tell.

20 Q All right. You didn't think that was an  
21 important thing that she'd want to know for renewing  
22 the loan or to collect her payment?

1 A No.

2 Q That's not important?

3 A No. As long as -- she told me she need 12  
4 percent interest every month. She's getting it.

5 Q Okay. Now let's flip the page back to  
6 subparagraph B. This is 56B on Page 40.

7 A Yes, sir.

8 Q Same question. So there's a loan between  
9 Eagle and Bala Jain, dated July 30, 2019, in the  
10 amount of \$400,000. It was supposed to be secured  
11 against the property at 445 Windover Avenue, your  
12 primary residence; correct?

13 A Correct.

14 Q All right. Did you ever tell Ms. Butani  
15 that you were going to enter into a deed of trust with  
16 a third party in the amount of 260,000 in January of  
17 2020?

18 A Say it one more time.

19 Q Sure.

20 So there's a deed of trust with a third  
21 party. I believe it's Gus Goldsmith for this  
22 property. Maybe I've got that wrong.



1           A     No. This is not -- Gus Goldsmith don't have  
2 deed of trust on this property.

3           Q     So what's the \$260,000 deed of trust on 445  
4 Windover? Who's that with?

5           A     It is not right information.

6           Q     Did you get another loan on 445 Windover  
7 Avenue?

8           A     It's only one loan from day one, and second  
9 loan is from Bala Jain.

10          Q     Who's the first loan with?

11          A     Atlantic Union Bank.

12          Q     Okay. How much is owed on that?

13          A     About 400.

14          Q     Okay.

15          A     450.

16          Q     Looking at paragraph C, same page.

17          A     Yes, sir.

18          Q     It says, "First Class Title and Dan Kotz  
19 drafted a deed of trust for the \$300,000 loan Bala  
20 Jain entered into with Eagle for a property located at  
21 110 Lynn Street, Vienna, Virginia."

22                Do you see that?

1 A Yes.

2 Q Bala Jain entered into this loan on July 30,  
3 2019.

4 Do you see that?

5 A Yes.

6 Q Okay. If you go down to the bottom, it  
7 says, "Eagle then entered into a separate deed of  
8 trust for 260,000 with a third party."

9 Do you recall that?

10 A Yes.

11 Q All right. So there is another deed of  
12 trust on the 110 Lynn Street property that occurred in  
13 January of 2022; is that right?

14 A Yes.

15 Q At the time that you entered into that deed  
16 of trust for \$260,000 -- first of all, who is that  
17 with, that deed of trust?

18 A Gus Goldsmith.

19 Q Gus Goldsmith.

20 At the time, was Ms. Butani's or Bala Jain's  
21 deed on the 110 Lynn Street, had that been recorded?

22 A No, sir.

1 Q Why was that not recorded?

2 A She don't ask, we don't record, and she  
3 don't want to record.

4 Q Did she tell you, for 110 Lynn Street, not  
5 to record it?

6 A It's not a specific conversation for each  
7 property. Whenever she want to record it, she say, I  
8 need to record it, I need to give it to my investor.  
9 And sometime -- that's why a lot of these are record  
10 after loan is made, after a few years, two year, three  
11 year.

12 Q So why have it drafted but not recorded?

13 A That's the way she want, to show her  
14 investors.

15 Q So she wanted it drafted but not to record  
16 it -- strike that.

17 I'm trying to make sure I understand your  
18 testimony.

19 So your testimony is, she wanted you to have  
20 the deed of trust drafted but not recorded?

21 A Yes.

22 Q Okay. Did you tell her that you were going

1 to take out a loan and give a deed of trust to Gus  
2 Goldsmith in the amount of \$260,000, on January 7,  
3 2022?

4 A I don't tell her.

5 Q Why didn't you tell her?

6 A She don't ask. I don't tell her.

7 Q Again, you don't think that's an important  
8 fact that now her deed, her unrecorded deed, is going  
9 to be subordinate to Gus Goldsmith's deed for  
10 \$260,000?

11 A Yeah, I don't think this is, though.

12 Q You don't think it is?

13 A Right.

14 Q You understand the impact of that, though;  
15 right? When you have a subordinate deed of trust, if  
16 you go to foreclose, if there's not enough equity in  
17 the property, right --

18 A Right.

19 Q -- that she can't get repaid?

20 MR. KHAN: Objection, calls for  
21 speculation.

22 A Right.